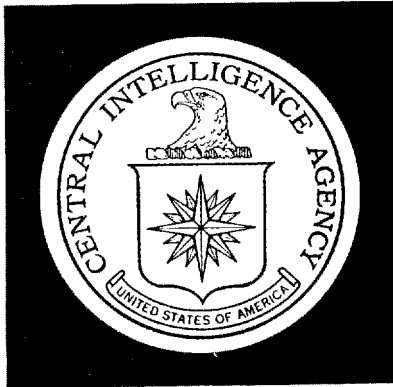


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DIRECTORATE OF  
INTELLIGENCE

# *WEEKLY SUMMARY*

NAVY review completed.

DIA review(s) completed.

State Dept. review completed

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41

25 April 1969  
No. 0367/69

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## SECRET

## C O N T E N T S

(Information as of noon EST, 24 April 1969)

Far East

	<u>Page</u>
THE WEEK IN PERSPECTIVE	1
VIETNAM	2
<p>Military activity in the South has settled into a pattern of sporadic enemy shellings and brief but occasionally fierce battles. Meanwhile, South Vietnamese political groups continue to maneuver in the wake of President Thieu's announced intention to form a new political grouping to compete with the Communists.</p>	
NORTH KOREA SEEN ISOLATED ON PLANE INCIDENT	4
<p>Since its shootdown of the US reconnaissance plane on 15 April, North Korea has maintained a cautious yet defiant attitude.</p>	
NORTH KOREAN FOREIGN TRADE PATTERNS UNCHANGED	6
<p>North Korea's foreign trade continues relatively stagnant as Communist economic aid dries up and Pyongyang concentrates on modernizing its military forces.</p>	

Europe

THE WEEK IN PERSPECTIVE	7
CZECHOSLOVAKIA CALM AFTER LEADERSHIP SHUFFLE	9
<p>New party leader Gustav Husak has outlined in broad terms the retrogressive measures that he will initiate to put Czechoslovakia back on a road acceptable to the Soviets.</p>	
SOVIET MERCHANT FLEET CONTINUES TO EXPAND	10
<p>Although the USSR's merchant fleet is expected to increase 50 percent by 1975, it will still not pose a serious challenge to free world shipping.</p>	

SECRET

SECRET

- BREZHNEV'S AGRICULTURAL PROGRAM FALTERS IN THE USSR 12  
Successful harvests in 1966-68 apparently have stifled enthusiasm for the USSR's grandiose "Brezhnev program," introduced in 1965 to increase the flow of resources to agriculture.
- SOVIETS PREPARE FOR ANTISUB TRAINING IN MEDITERRANEAN 14  
The USSR's guided-missile helicopter cruiser Moskva will probably join other Soviet ships in the Mediterranean for another major test of new antisubmarine warfare equipment and procedures.
- CLOSE VOTE EXPECTED IN FRENCH REFERENDUM 15  
Although the official referendum that French voters will decide this Sunday is on De Gaulle's reform proposals, the campaign has eclipsed the issues and the election is now a decision for or against De Gaulle.
- NEW EUROPEAN PROJECT CHALLENGES FRENCH AIRCRAFT MARKET 16  
The Multi-Role Combat Aircraft project--undertaken jointly by the UK, West Germany, Italy, and the Netherlands--is the first real challenge to the already strong position of France's aircraft industry.

25X6

SECRET

SECRET

Middle East - Africa

- THE WEEK IN PERSPECTIVE 19
- FEDERAL ADVANCE FORCES BIAFRANS TO MOVE CAPITAL 21  
Biafran government offices have been shifted from Umuahia, as federal units have evidently moved into the town. The recent OAU attempt to bring about peace talks made no progress.
- MIDDLE EAST BORDER INCIDENTS HIT NEW HIGH 22  
The air strike on 22 April against Egyptian radar sites was Israel's third major air attack this year against targets in Jordan, following by one day the year's biggest artillery duel across the Jordan River cease-fire line.
- PAKISTANI TRAINING AIDS ARAB FORCES 23  
Pakistan's military training aid program, which received a big boost from the 1967 Arab-Israeli war, demonstrates how a small country with limited resources can use its assets to maximum advantage.

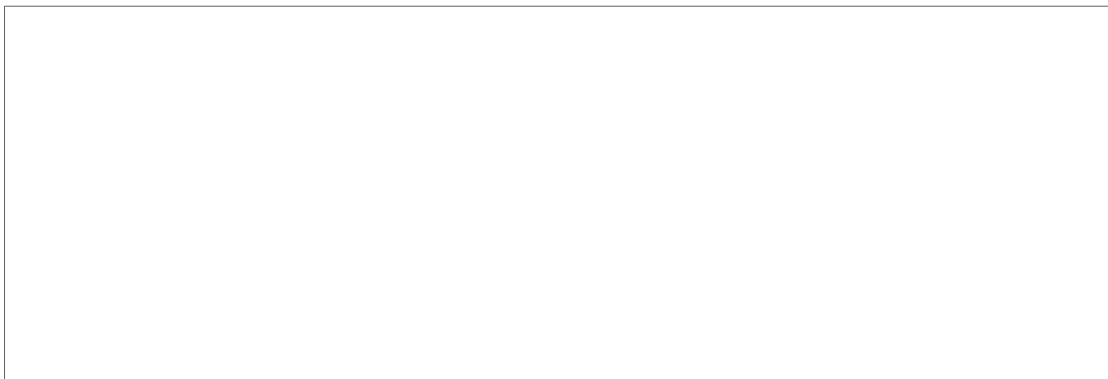
25X6

Western Hemisphere

- THE WEEK IN PERSPECTIVE 25
- PERU MAKES NO NEW MOVES ON IPC CONTROVERSY 26  
The Peruvian delegation to Washington is unlikely to make any concessions either on compensation for expropriation of facilities of the International Petroleum Company or on the territorial waters dispute.
- CHILEAN POLITICS GET MOVING AGAIN 27  
After a brief respite following the congressional elections last month, Chilean politicians are now testing the winds and making plans with an eye to the presidential election in September 1970.

SECRET

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POLITICAL DETERIORATION BRAKED IN DOMINICAN REPUBLIC

28

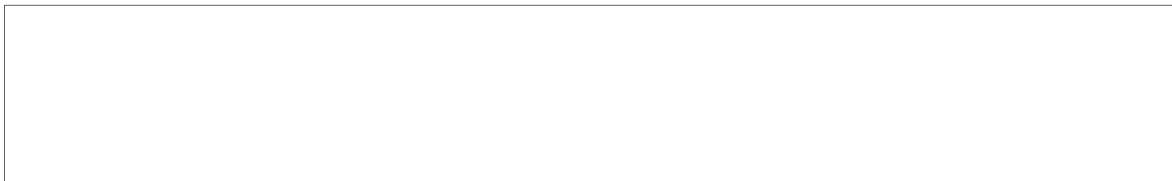
President Balaguer has eased the unrest arising from a recent wave of terrorist actions by replacing controversial police and cabinet officials, but the shuffle does not answer opposition charges of repression.

DUVALIER CRACKS DOWN ON HAITIAN COMMUNISTS

29

President Duvalier is reacting to an increase in Communist activity following the merger of the two largest groups in Haiti's Communist movement and the arrest of a few Haitians who had returned from training in the bloc.

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The North Koreans adopted a defensive yet defiant stance in their first formal pronouncement on the shootdown of the US reconnaissance plane last week. Pyongyang appears well aware of its weak international position and fully conscious of the hazards of further provocations against US aircraft or naval units. Although the North Koreans almost certainly will avoid any direct challenge to the US task force in the Sea of Japan, they may initiate some low-risk harassment activity in the DMZ area or guerrilla operations in the South to demonstrate their defiance.

The North Korean statement attempts, however, to offset the weakness of Pyongyang's claim that the US plane intruded into its territory by adopting a defiant stance with regard to any future US intrusions. The North Koreans seek to cast doubt on US intentions by warning that the US will exploit any North Korean defensive reaction to another intrusion as a pretext to "commit full-scale attack" which may lead to another "total war" in Korea.

The political opposition in Japan attempted to exploit popular concern that further incidents might lead to Japanese involvement in some new Korean hostilities. Japanese Government leaders, for their part, condemned the North Korean action and strongly supported the US position.

Communist military activity in South Vietnam has settled into a pattern of sporadic shelling and brief but occasionally fierce ground battles. The trend toward disengagement by Communist main forces, first noted in late March, continues to hold.

Meanwhile, South Vietnamese political groups continue to maneuver in the wake of President Thieu's announced intention to form a new political grouping to compete with the Communists. One problem that seems likely to hamper Thieu's efforts to mold national political unity is the reaction to the government's heavy-handed treatment of the press. Four more Saigon newspapers were suspended in the past week; 25 papers have now been closed since formal press censorship was lifted last May.

Communist China's ninth party congress drew to an end this week with the election of a new and larger central committee. Mao, Lin Piao, and Chou En-lai continue to occupy the top three positions in China's hierarchy.

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## VIETNAM

Since the spring offensive tapered off in late March, military activity has settled into a pattern of sporadic enemy shellings and brief but occasionally fierce ground battles. Da Nang was struck during the past week by two enemy rocket attacks that caused moderate damage, but Hue and Saigon remained quiet. The Communists continue to husband their manpower resources carefully for the most part, committing only small units to resist allied sweeps and to probe outlying hamlets and outposts.

The trend toward disengagement by Communist main forces, first noted in late March, continues to hold. Enemy troop withdrawals are still much less extensive, however, than those observed last year after the May and August offensives. In addition, it seems likely that the enemy will try to maintain at least a moderate level of activity in III Corps during the next few weeks.

Throughout the country, Communist units have been holding meetings to critique the spring offensive and to plan for future operations. There have been a number of reports claiming that current Communist policy calls for their units to prepare for an offensive this summer. The precise timing, however, remains unclear.

### Political Developments in South Vietnam

South Vietnamese political groups have continued to maneuver since President Thieu announced his intention to form a new political organization with which to compete with the Communists. Although there are signs that some groups may decide to coalesce into a "loyal opposition," Thieu seems to be receiving at least tentative support from a substantial number of the country's political leaders. He is moving ahead at his usual deliberate pace, however, and the composition of the new organization has not been decided.

One problem that could adversely affect the government's preparations for political competition with the Communists is a shortage of skilled manpower. Because of heavy combat losses and desertions, the government may be forced to cancel deferments and to draft men from older age brackets to meet 1969 goals for the expansion of the armed forces. Thus, men with talents and skills who are drafted to increase the effectiveness of the armed forces will be removed from the civilian sector and the expansion of the government's civil programs will be slowed.

Another problem that seems likely to hamper President Thieu's

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efforts to mold nationalist political unity is the reaction to the government's heavy-handed treatment of the press. The suspension of four Saigon newspapers during the past week brings to 25 the number of journals closed down at least temporarily since formal press censorship was lifted last May. Adding to the impact was the government's harsh handling of the cases of two Saigon publishers--one convicted for working for the Communists and the other arrested on similar charges. Regardless of the merits of each case, the cumulative effect is almost certainly undermining the credibility of Thieu's call for the formation of a loyal opposition by those anti-Communists who choose not to join his new organization.

The suspension of the prestigious newspaper Chinh Luan, ostensibly for reprinting Communist statements without comment, may prove particularly inopportune. Although the paper followed a generally antigovernment editorial policy, its publisher is an influential senator, who had indicated his willingness to support Thieu's nascent political alliance.

President Thieu has also publicly threatened to jail un-

patriotic publishers and other intellectuals because they are likely to sell out to the Communists. Many journalists are likely to regard these remarks as evidence that Thieu is antagonistic toward the press as a whole, and they may portray the government as essentially authoritarian at the very time Thieu is trying to develop a stronger popular base.

One group that has consistently opposed the government appears to be slowing down its agitation campaign against the regime, at least temporarily. The militant Buddhists reportedly have suspended weekly "prayer meetings" that have been held since the conviction last month of one of their leaders, Thich Thien Minh, who was given a ten-year sentence for hiding Viet Cong personnel. The militant Buddhists will almost certainly continue to agitate against the government when any new opportunity arises to protest measures that appear restrictive. Reaction to the Thich Thien Minh affair, however, appears to be dissipating, at least for the present. Moreover, the tentative steps initiated by the rival militant and moderate Buddhist factions to increase their cooperation have been broken off.

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## NORTH KOREA SEEN ISOLATED ON PLANE INCIDENT

Since its shootdown of the US reconnaissance plane on 15 April, North Korea has maintained a cautious yet defiant attitude.

Pyongyang's propaganda on the incident thus far has been sparse. The elapse of five days before North Korea responded to President Nixon's announcement that reconnaissance flights were to be resumed--with protection--reflects the regime's desire fully to assess US intentions. The defensive tone of Pyongyang's statement on 23 April shows that the North Korean leaders are well aware of their weak international position and fully conscious of the hazards in further military provocations at this time.

An incident along the central sector of the Demilitarized Zone on 23 April apparently was not directly related to Pyongyang's reaction to the resumption of US reconnaissance flights. The North Koreans fired on a UN command guard post, probably in order to cover the retreat of reconnaissance personnel who had stumbled into a minefield. The North Koreans presumably were attempting to collect information on South Korean and US force deployments since the shootdown on 15 April. Similar probes and encounters along the Demilitarized Zone occurred in the period immediately following the Pueblo

seizure. The skirmish was cited by a Pyongyang domestic service broadcast as a serious "new provocation" by the US.

The North Koreans have made a feeble attempt to link the plane shootdown with the Pueblo affair, but the weakness of their case is evident in their failure to cite a precise location for the alleged air intrusion. An elaborate attempt was made to "document" the Pueblo's violation of North Korean waters.

Pyongyang appears anxious to offset the weakness of its position by attempting to play upon foreign uneasiness regarding US intentions. Its statement of 23 April sought to cast doubt on US intentions by warning that the US would exploit any North Korean defensive reaction to another intrusion as a pretext to "commit full-scale attack" which could lead to another "total war" in Korea.

North Korea's international isolation is underscored by the fact that only three Communist states--East Germany, North Vietnam, and Cuba--have wholeheartedly supported Pyongyang.

Peking on 21 April broke its week-long silence over the incident with an official news release

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attacking Moscow's "collusion" with the US after the shootdown. The Chinese merely quoted a "news report" stating that the US plane had "intruded" into North Korean airspace but made no mention of who shot down the plane, avoided any expression of direct support for the North Korean action, and dealt only mildly with the US. The statement contrasts with Peking's announcement of "firm support" for Pyongyang following the seizure of the Pueblo.

Peking's cautious handling of the incident--underscored by its silence until President Nixon set forth the US reaction--is consistent with the Chinese record of careful avoidance of being drawn into military conflict with the US in situations where vital national interests are not involved.

Soviet reaction has been restrained. The Russians made oral statements of concern in Moscow and Washington on 21 April about US naval deployments but their low-key reflected a desire not to add to existing tensions. Soviet media have given only mild support to North Korea's position. Moscow may intend this to convey a mild rebuke to Pyongyang.

The South Korean Government, while favoring a stronger response, seems to be making a deliberate effort to stay in step with the US position. Senior defense of-

ficials welcomed the US announcement that the reconnaissance flights would be resumed and given protection, and President Park has indicated that South Korea will not take punitive action on its own against the North. An apparently deliberate effort by the authorities to moderate public reaction, however, has not concealed the widespread concern of many political leaders and private citizens that Pyongyang will be encouraged to undertake more such incidents in the future.

Tokyo has censured Pyongyang's action and given strong support for the US position. Opposition parties, attempting to exploit popular fears that Japan might become involved in Korean hostilities, have shifted the focus of their attacks from the plane incident itself to the US naval deployment in the Sea of Japan. Japanese news media have also reacted strongly against the US naval buildup, charging that the task force is larger than is needed.

The Korean episode has provided an unexpected opportunity for the Sato government to air its views on the importance it attaches to Japan's security treaty with the US, which comes up for review next year. Japanese officials have emphasized the value to Japan of America's defense efforts in Korea, a point largely overlooked by the Japanese public.

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## NORTH KOREAN FOREIGN TRADE PATTERNS UNCHANGED

North Korea's foreign trade continues to be relatively stagnant as Communist economic aid dries up and Pyongyang concentrates on modernizing its military forces. Total trade is expected to reach about \$500 million this year, maintaining the four to five percent annual average rate of growth of recent years, with Communist countries accounting for over 80 percent of the total.

Pyongyang's shifting stance in the Sino-Soviet dispute has apparently ruled out new economic credits from both the USSR and China since 1961; it has also been a primary factor in the recent decline in trade with China, which dropped to \$90 million last year, ten percent below 1967 levels. Despite political differences, however, the geographic proximity of the two countries has made it mutually profitable for them to exchange bulk goods. The Koreans have continued to import Chinese foodstuffs and coal in exchange for metals and mineral ores.

The decline in trade with China has been offset by increases with the USSR. This trade grew 7 percent last year to reach \$250 million, over half of North Korea's total trade. Trade continues to be balanced, with North Korean exports consisting primarily of metal products and rice. While shipments of machinery and equipment have declined, the USSR has increased its deliveries of wheat.

North Korea has had some success in expanding trade and building up a positive balance with

free world countries. Last year, this trade grew to \$75 million, 16 percent of Pyongyang's total. Although the Koreans have vigorously attempted to increase imports of free world machinery and equipment, such imports amounted to only about \$6 million last year. Foodstuffs accounted for almost half of free world exports to North Korea.

Trade with the free world continues to be hampered by limited markets for North Korean goods and the reluctance of Western firms to grant long-term commercial credits. Over half of Pyongyang's free world trade is with Japan, which took 75 percent of North Korea's free world exports last year.

Despite its stopping of economic aid, Moscow has continued to supply military hardware that totaled at least \$70 million last year, mostly on a credit or grant basis. Soviet materiel in recent years has included about 75 MIG-21 jet fighters, equipment for 14 SA-2 surface-to-air missile battalions, two W-class submarines, four Osa-class and ten Komar-class guided-missile patrol boats, and about 20 other small but modern warships. Communist China's military deliveries in recent years have consisted of 55 AN-12 small transport aircraft and about \$10 million in radar equipment. Chinese military deliveries totaled \$7 million last year.

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### EUROPE

The USSR continued to give minimum public attention to the aftermath of the North Korean shootdown of the US EC-121. It did, however, deliver mildly worded protests after the US announced it would continue reconnaissance flights in the Sea of Japan and increased its naval force there.

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In Moscow, this year's May Day parade appears likely to be held without major portions of the usual military display. No convincing explanation has been offered for this sharp break with tradition. Western attachés observed normal preparations under way until 8-12 April, when the heavy equipment was removed from assembly areas. The night rehearsals, which should have been held this week, have not been seen.

Party first secretaries and economic experts assembled in Moscow for the long-awaited CEMA summit meeting, which began on 23 April. Possible changes in the system of cooperation within CEMA are under discussion, but there is no indication that basic differences have been resolved. Little of economic or political importance probably will be accomplished at the meeting, but a facade of unity probably will be presented in the final communique.

The referendum in France on 27 April on senatorial and regional reform has become in the minds of most voters a decision for or against De Gaulle. At this juncture, with most public opinion polls reflecting a high degree of apathy and only a slim margin of "yes" votes, the General is in trouble. His final TV appeal on 25 April may well be crucial. It will be his last chance to swing the large group of uncommitted voters to the government's side.

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**CZECHOSLOVAK COMMUNIST PARTY (KSC)**  
as of 17 April 1969

<del>EXECUTIVE COMMITTEE OF THE PRESIDUM</del>	
<del>Cernik, Oldrich (M)</del>	<del>Sadovsky, Stefan (M)</del>
<del>Dubcek, Alexander (M)</del>	<del>Smrkovsky, Josef (L)</del>
<del>Erban, Evzen (M)</del>	<del>Svoboda, Ludvik (M)</del>
<del>Husak, Gustav (M)</del>	<del>Strougal, Lubomir (C)</del>

**MEMBERS OF THE PRESIDUM**

<u>Bilak, Vasil (C)</u>	<u>Kabrna, Vladimir (L)</u>	<u>Slavik, Vaclav (L)</u>
Cernik, Oldrich (M)	Neubert, Karel (C)	Smrkovsky, Josef (L)
Colotka, Peter (M)	Piller, Jan (C)	Spacek, Josef (L)
<u>Dubcek, Alexander (M)</u>	<u>Pinkava, Josef (L)</u>	Strougal, Lubomir (C)
Erban, Evzen (M)	Polacek, Karel (L)	Svoboda, Ludvik (Honorary) (M)
<u>Hettes, Jarolim (L)</u>	<u>Sadovsky, Stefan (M)</u>	<u>Tazky, Anton (L)</u>
<u>Hrdinova, Libuse (L)</u>	<u>Simecek, Vaclav (L)</u>	<u>Zrak, Jozef (L)</u>
<u>Husak, Gustav (M)</u>	<u>Simon, Bohumil (L)</u>	

**FIRST SECRETARY**

Dubcek, Alexander (M)  
Husak, Gustav (M)

**SECRETARIES**

<u>Bilak, Vasil (C)</u>	<u>Lenart, Jozef (C)</u>
<u>Hettes, Jarolim (L)</u>	Penc, Frantisek (L)
<u>Indra, Alois (C)</u>	Spacek, Josef (L)
Kempny, Josef (L)	Strougal, Lubomir (C)

**OTHER MEMBERS OF THE SECRETARIAT**

Sekera, Jiri (L)                      Slavik, Vaclav (L)

*Both Czech & Slovak leaders shown; Slovaks underlined  
Red reflects personnel shifts on 17 April*

M - Moderate                      C - Conservative                      L - Liberal

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## CZECHOSLOVAKIA CALM AFTER LEADERSHIP SHUFFLE

New party leader Gustav Husak has outlined in broad terms the retrogressive measures that he will initiate to put Czechoslovakia back on a road acceptable to the Soviets. Despite his foreboding remarks, the anxious and disillusioned population has remained passive except for so far relatively harmless but widespread student sit-ins protesting the fall of Dubcek.

Husak said that his administration would take immediate steps to assert greater party control over society, first of all silencing the news media and heading off public manifestations of anti-Soviet sentiment. The regime began its clampdown by initiating tighter border regulations, jamming Radio Free Europe broadcasts, and banning a number of dissident publications, including the party's outspoken weekly journal, Politika. Husak also assigned a pro-Soviet conservative as editor-in-chief of the main party daily, Rude Pravo, a move that virtually assures the conservatives control of the paper. Numerous other changes in the party apparatus and in the government may be in the offing during the next few weeks.

Students throughout western Czechoslovakia last week conducted peaceful sit-ins on their campuses, but there were no indications that they were considering more demonstrative protests. Husak was tolerant of the students, apparently hoping that a "hands off" policy would give him time to consolidate his re-

gime. Student leaders have mixed emotions about the Husak administration and some of them are taking a "wait-and-see" attitude.

Rank-and-file young workers--normally aligned with the students--apparently decided not to take part in the student strikes, thus further reducing the possibility of a concerted anti-Husak movement. Trade union leaders, who have offered their support to Husak, warned the workers to refrain from demonstrating and to avoid protest meetings.

The new leadership tried to take some of the sting out of Dubcek's demotion by nominating him for the post of president of the National Assembly, a position presently held by Slovak moderate Peter Colotka. This move might pave the way, at a later date, for Dubcek's complete removal from the party hierarchy. Colotka, in turn, was recommended for the post of first deputy premier of the federal government in Prague.

Pro-Soviet conservatives do not seem to have made substantial gains during the personnel shifts on 17 April, but their influence as a minority pressure group has improved considerably. They have won a major victory inasmuch as enough people in the central committee joined them to remove Dubcek and his liberal and moderate followers from the top leadership bodies. Moreover, the conservatives undoubtedly regard Husak's election as a significant step toward gaining control

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of the leadership themselves, even though no prominent hard liners were elevated to the streamlined presidium.

The Russians have given Husak their preliminary approval, including a strong endorsement from Brezhnev. Nevertheless, Husak probably was not Moscow's first choice to replace Dubcek, and the Soviets may have reservations about the intentions of the new party leaders. As an

ardent Slovak nationalist, Husak will cooperate with the Russians to the extent that their demands do not interfere with his own objectives. Moreover, the dynamic, intelligent, and sophisticated Husak does not think in the same rigid ideological pattern as do most of the Soviet leaders with whom he will be dealing. Consequently, further clashes between Prague and Moscow over conflicting methods and goals appear inevitable.

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### SOVIET MERCHANT FLEET CONTINUES TO EXPAND

Although it is getting larger, the Soviet merchant fleet will not pose a serious challenge to free world shipping in the near future.

According to Merchant Marine Minister Bakayev, the USSR's maritime fleet is expected to increase more than 50 percent by 1975. Although the fleet's tonnage has tripled during the past decade, its annual rate of growth has slowed from 21 percent in 1964 to 7 percent last year. The fleet now totals about 10.5 million deadweight tons.

The USSR probably will not reach its 1970 goal of 13 million deadweight tons unless deliveries from domestic shipyards and purchases from the free world and Eastern Europe increase considerably this year and next. Last year, about one third of the new tonnage added to the merchant fleet came from Soviet shipyards, with imports

from Poland, East Germany, Yugoslavia, and Finland accounting for most of the remainder. At the present rate of deliveries, however, achievement of Bakayev's 1975 target--at least 17 million deadweight tons--is unlikely.

Even if this goal should be attained, the USSR would move only from seventh to sixth or fifth position in the rank of national fleets, displacing Greece and possibly the US, whose fleet tonnage is declining. Except for the UK, the leading free world fleets, including the Japanese, Norwegian, and Liberian--a flag of convenience for US and other free world owners--have been growing faster than that of the USSR.

The ability of the Soviet fleet to compete with free world shipping is limited by the USSR's lack of supertankers, large bulk carriers, and container ships. The Soviet fleet is designed primarily to meet Soviet port

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conditions and to carry Soviet trade. Almost half of the USSR's seaborne foreign trade has moved on foreign carriers since 1964; by 1970 this figure may decline to 40 percent.

Soviet competition with free world shipping will remain small, at least for the next few years. At present, Soviet ships are chartered to free world traders mainly for convenience and efficiency; most are ships returning to the USSR in ballast or temporarily surplus during the winter.

Most of the Soviet cargo lines are on routes where there is a large volume of Soviet trade, although a few recently opened lines are designed to carry mainly foreign cargoes. Despite some recent selective cases of rate-cutting, most Soviet ships on routes also served by Western lines charge rates close to those set by international agreements. Even if the USSR doubles its transport of foreign inter-

port cargoes for non-Soviet shippers, the tonnage carried will represent little more than one percent of world seaborne trade.

The Soviet fleet is discouraged from participating in US seaborne trade--one fifth of the world total--by restrictive US regulations and the threat of boycott by US longshoremen. The Soviets, however, told a US official in Moscow last week that they would soon raise again the question of access to US ports.

A new state agency, Sovin-flot, is to be established to replace a portion of the 400 foreign shipping agents that handle commercial matters for Soviet ships when they call in foreign ports and solicit business for Soviet cargo and passenger lines. This will give the USSR more direct control and--in ports where the volume of Soviet business is sufficient--will result in net savings of hard currency.

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## BREZHNEV'S AGRICULTURAL PROGRAM FALTERS IN THE USSR

Successful harvests in 1966-68 apparently have stifled enthusiasm for the USSR's grandiose "Brezhnev program," promulgated in 1965 to increase the flow of resources to the agricultural sector during 1966-70. Concern with possible losses in grain output caused by this year's severe winter, however, may dispel some of this complacency.

Agricultural production during 1966-68 rose 21 percent above that in 1962-64, the last three years of Khrushchev's regime. This increased output made possible a substantial improvement in the consumer's diet, replenishment of grain reserves, and elimination of large net imports of farm products. Although much of this success stemmed from above-average weather, some was a result of the agricultural reforms adopted in 1965.

The "Brezhnev program" was introduced to move agriculture out of the doldrums of the early 1960s. The program provides for a rapid acceleration of inputs into agriculture--especially fertilizer and machinery--better cropping practices, a variety of incentives for farmers, and a relaxation of restrictions on private agricultural activity.

A promising start was made in 1966, but much of the program now is far behind schedule, especially the pledges to expand investment capital and flows of industrial materials such as fertilizer, lubricants, and electric power to the farms. During 1966-68, the average annual rate of

growth of agricultural plant and equipment as well as the delivery of industrial materials to agriculture dropped below the annual rates achieved in the first half of the decade. The growth of total inputs to the agricultural sector fell from an average of three percent during 1965-66 to slightly less than one percent in 1967-68.

Deliveries of major types of farm machinery are far below plan. If these slow rates of growth continue, the increase in total inventories of machinery during 1966-70 will be less than half the original goal. Another important target--the increased use of agricultural chemicals--also is not being met. Although fertilizer deliveries are almost on schedule, there is little evidence of an expansion in fertilizer plant capacity required to meet production goals for 1970. Similarly, the ambitious program to increase the capacity of the food processing industries continues to lag.

The land reclamation program has fared better than other parts of the investment program, possibly because it is a pet project of Brezhnev's. As a result of the increased retirement of land previously reclaimed and the slow introduction of new land, however, the total area reclaimed has not increased above the 1965 level, although the average quality now is higher.

The government recently raised the targets for agricultural output during the remaining two years of the five-year plan

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The charts compare annual growth rates against a 1961-65 average (hatched bars) and a 1966-70 target rate (vertical line). A 'Shortfall' is indicated where the 1966-70 target rate is higher than the 1961-65 average.

Category	Year	Annual Rate of Growth (%)	1961-65 Average (%)	1966-70 Target Rate (%)
TOTAL STOCK OF FARM BUILDINGS AND EQUIPMENT	1961 - 65 average	~8.5	~8.5	~12.5
	1966	~5.5	~8.5	~12.5
	1967	~7.5	~8.5	~12.5
	1968	~8.0	~8.5	~12.5
	Shortfall	-	-	~12.5
NEW CONSTRUCTION	1961 - 65 average	~8.5	~8.5	~12.5
	1966	~11.5	~8.5	~12.5
	1967	~8.5	~8.5	~12.5
	1968	~11.0	~8.5	~12.5
	Target Rate (1966-70 Plan)	-	-	~12.5
DELIVERIES OF NEW MACHINERY AND EQUIPMENT	1961 - 65 average	~12.5	~12.5	~12.5
	1966	~4.0	~12.5	~12.5
	1967	~6.5	~12.5	~12.5
	1968	~8.0	~12.5	~12.5
	Target Rate (1966-70 Plan)	-	-	~12.5
DELIVERIES OF FERTILIZER, FUELS, AND OTHER INDUSTRIAL GOODS	1961 - 65 average	~8.5	~8.5	~12.5
	1966	~10.0	~8.5	~12.5
	1967	~8.0	~8.5	~12.5
	1968	~6.5	~8.5	~12.5
	Target Rate (1966-70 Plan)	-	-	~12.5

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## SOVIETS PREPARE FOR ANTISUB TRAINING IN MEDITERRANEAN

Soviet ships in the Mediterranean are preparing for another major operational evaluation of new antisubmarine warfare (ASW) equipment and procedures.

The guided-missile helicopter cruiser Moskva and two guided-missile frigates entered the Mediterranean from the Black Sea during the past week, probably to conduct ASW evaluations. The Moskva last operated in the Mediterranean this past fall.

Three ASW escorts from the Black Sea, a Kresta-class guided-missile cruiser from the Northern Fleet, and some of the eight Soviet submarines now in these waters probably will join the Moskva group for the current exercises. Sound propagation in Mediterranean waters is best in the spring and

fall for an evaluation of the advanced sonars on the Moskva.

Most of the Northern Fleet surface ships that entered the Mediterranean two weeks ago left during the past week and are returning to home waters. Six Soviet diesel submarines and probably one nuclear submarine, all of which have completed their Mediterranean patrols, are with the surface forces. Some of these ships made an official visit to Algeria between 13 and 18 April, possibly foreshadowing expanded Soviet use of Algerian naval facilities.

Some of the Soviet ships in the Mediterranean are observing a large NATO naval exercise currently under way.

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## CLOSE VOTE EXPECTED IN FRENCH REFERENDUM

Officially, the referendum that French voters will decide this Sunday is on De Gaulle's plan to decentralize the government through regional reform and to transform the Senate into a consultative body. During the course of the campaign, however, the issues of the referendum have been eclipsed; the election is now, in the minds of most voters, a decision for or against De Gaulle.

Over the last decade, De Gaulle has presented five referendums to the French public and has always won impressive victories. This time, however, De Gaulle is in trouble.

He announced his intention to hold a new referendum during the height of last May's domestic crisis, and the response was so negative that he had to backtrack and call legislative elections instead. After the crisis, Gaullist ministers tried in vain to convince De Gaulle to postpone the referendum indefinitely. Strong official opposition was also expressed to the manner in which the questions of reform were to be put to the public--as a simple "yes" or "no" vote on two separate issues.

Soon after the campaign opened last month, De Gaulle declared categorically that he would resign if his reform proposals were rejected, but even this dramatic move failed to rouse an apathetic public. As the campaign draws to a close, well over a third of the electorate is still undecided.

De Gaulle faces the opposition of not only his traditional enemies of the Communist and non-Communist left, but also of moderate political leaders. Center politicians are vigorously campaigning for a no vote, and even the head of the Independent Republicans, a party long aligned closely to the Gaullist party, has come out in opposition.

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Most observers are saying that a slim Gaullist victory is probable, but not certain. Their views are based largely on a number of contradictory polls. One usually reliable poll, on 19 April, gave the "yes" vote a 52 to 48 percent lead, but also showed that a substantial number of the electorate were undecided or planning to abstain. A more recent poll flatly predicts a Gaullist defeat, and an official government analysis admits that a defeat is possible.

The key to the election is the large mass of undecided voters. In previous votes, a progovernment trend has usually materialized just before the election, when those who were wavering opted for the status quo rather than the unknown. De Gaulle will try to capitalize on any such trend in his television appeal to the nation on 25 April.

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## NEW EUROPEAN PROJECT CHALLENGES FRENCH AIRCRAFT MARKET

The Multi-Role Combat Aircraft (MRCA) project is the first real challenge to France's continuing efforts to enhance the already strong position of its aircraft industry. The growing prospect that the MRCA consortium--the UK, West Germany, Italy, and the Netherlands--may actually produce a marketable aircraft is causing concern in Paris, but French attempts to undermine the MRCA or become a partner in the project thus far have failed.

France has been striving to make its aircraft industry predominant in Europe by seeking larger sales in the European market and by attempting to establish France as an indispensable partner to the success of European cooperative aircraft programs. The French, therefore, take a particularly dim view of such a major European venture as the swing-wing MRCA, over which they have no control and in whose market they will not participate. The consortium members have agreed to buy 1,200 MRCA, with Germany taking at least 600.

Paris thus far has been unable to entice West Germany from the MRCA program by offering participation in production of the French swing-wing Mirage G. The French offer provides the Germans with an alternative to continued cooperation with their consortium partners and also with greater leverage in the MRCA project. France also has offered to the whole consortium the larger Mirage G-4 as a replacement for the MRCA. Unlike the Mirage G offer,

the G-4 proposal satisfied the German desire for closer British cooperation with the continent, and provides the German aircraft industry with the opportunity of participating in the development of a new aircraft. The consortium, however, continues to hope for success with the MRCA.

France can now probably do little more than bide its time and assume that the MRCA project ultimately founders for political and economic reasons or over technical difficulties with the proposed swing-wing design for the aircraft. In any case, the French probably will press ahead with an intensive sales campaign for their twin-engine Mirage G-4, which they plan to start delivering in 1972. First deliveries of the MRCA are scheduled for 1975.

France is the only free world country besides the US that has a flying swing-wing aircraft--the single-engine Mirage G. This aircraft has just completed a year and a half of what most observers describe as highly successful flight tests. Swing-wing aircraft are difficult to design and develop, and the experience and technological know-how gained from a well-tested aircraft give the French an edge over any European competitor in this field. This impressive record, however, does not take cognizance of political considerations, which are often paramount in the purchase of aircraft, and may not weigh in favor of a large European market for either French swing-wing fighter.

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**MIDDLE EAST - AFRICA**

The level of border incidents between Israel and Egypt and Jordan has reached the highest point since the June War. Egyptian commando raids across the Suez Canal are at least in part an effort to impress on the Big Four the need for an immediate solution to the Middle East crisis. An Israeli air strike at Egyptian radar bases in Jordan, billed as a "partial answer" to Egyptian artillery attacks, may have been intended to prevent the Egyptians from monitoring Israeli air operations in southern Israel.

The most serious disturbances since the 1958 civil war occurred this week in Lebanon as a result of the government's effort to control the fedayeen. Terrorist infiltration has been increasing, [REDACTED]

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In Africa, federal Nigerian troops entered Biafra's temporary capital of Umuahia this week, but the Biafrans are more than holding their own elsewhere. Senegal's student strike has continued to sputter, with occasional skirmishes between students and police; the strikers have thus far failed to secure needed support from other disenchanted elements. In Dahomey, the fragile Zinsou government is increasingly nervous over renewed frictions with the French, new indications of coup plotting, and potentially explosive rivalries among army elements. Ethiopian students have engaged in new clashes with the police, leaving one student dead and forcing the closure of more secondary schools in Addis Ababa.

Pakistani President Yahya Khan met in Lahore on 22 April with political leaders representing the full range of the political spectrum and will conduct similar meetings in Dacca and Karachi. These sessions presumably concern his promise to loosen martial law curbs and to hold elections as soon as possible; they may also involve his expressed desire to bring civilians into top posts in the government. Other developments suggest the possibility that Yahya may be prepared to permit the resumption of normal political activity sooner than most observers had expected.

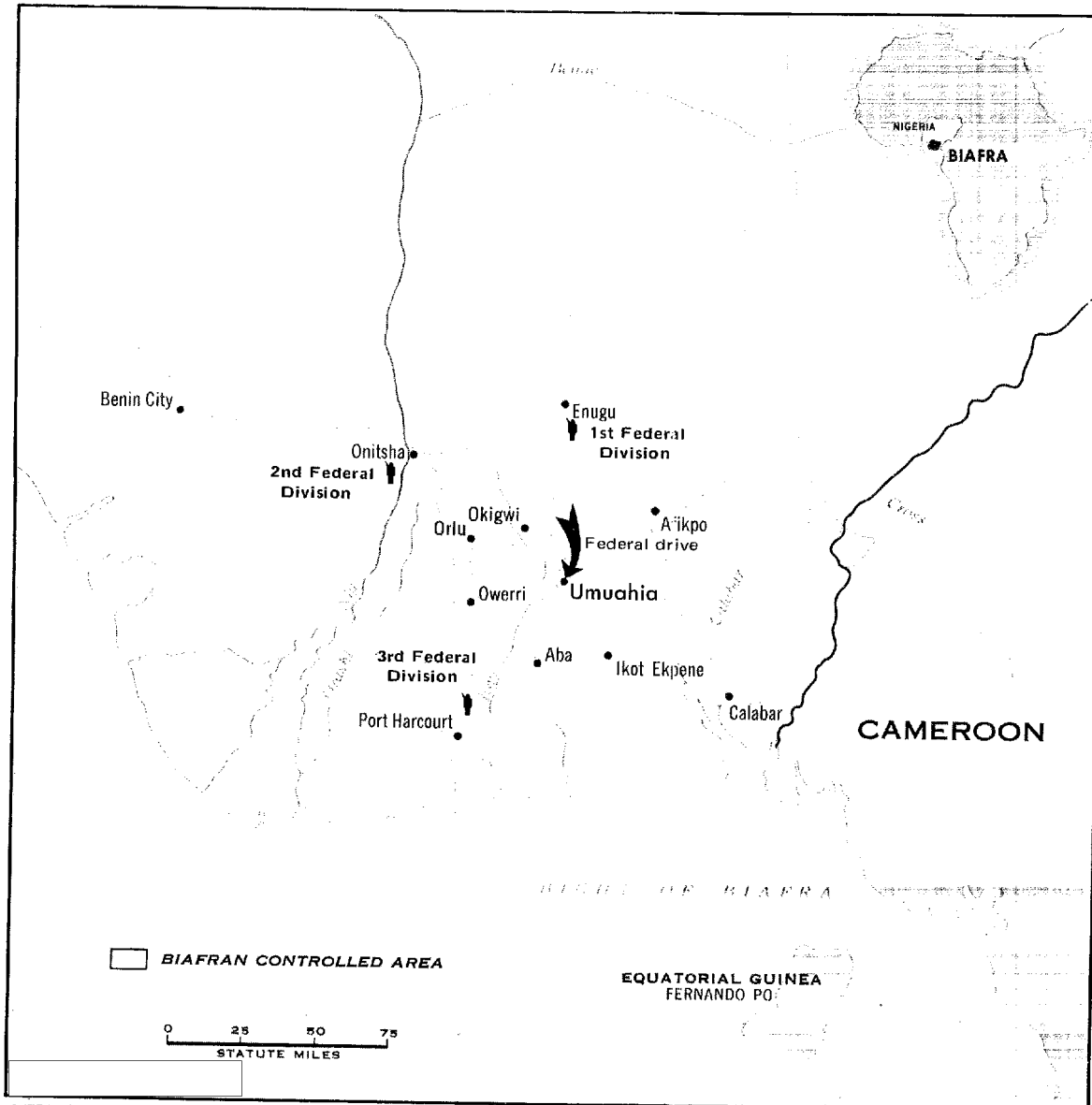
In India, the open opposition of state chief ministers to the newly submitted fourth five-year plan highlights again the weakened authority of the Congress Party leadership in New Delhi. [REDACTED]

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## Nigerian Federal Forces Move Into Umuahia



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## FEDERAL ADVANCE FORCES BIAFRANS TO MOVE CAPITAL

Federal forces have moved into the Biafran capital of Umuahia. Meanwhile, the meeting in Monrovia last weekend of the OAU consultative committee on Nigeria made no progress toward a negotiated settlement.

The federal government on 23 April announced Umuahia had fallen to the Nigerian 1st Division. Biafran leader Ojukwu moved out on 18 April, apparently to a temporary headquarters nearby; he will probably set up a more permanent command post near Orlu, where the Red Cross has also moved its headquarters. The large-scale exodus of civilians from Umuahia, swamped by Ibo tribesmen who had fled previous federal ad-

vances, has further complicated Biafra's already serious refugee problem. Meanwhile, the Biafrans continue to do well on the other war fronts.

On the diplomatic front, the meeting of the OAU committee last weekend broke down when the Biafrans refused to negotiate within the context of a "united Nigeria"--a move that would have forced Biafra to renounce secession. The committee released a statement explicitly blaming the Biafrans for the failure of negotiations to materialize. This will strengthen the Biafran conviction that the committee is pro-Nigerian and will probably end whatever chances it had of mediating.

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## MIDDLE EAST BORDER INCIDENTS HIT NEW HIGH

The cross-border exchanges between Israel and Jordan and Egypt have reached the highest level since the 1967 war.

The continuous series of artillery battles across the Suez Canal over the past several weeks has led UN Secretary General Thant to describe the situation as "a virtual state of active war." The most extensive artillery duel this year across the Jordan River on 21 April was followed the next day by a major Israeli air strike on targets in Jordan. Among the targets were two Egyptian radar sites that monitored Israeli air operations in southern Israel. In line with Egypt's recently announced policy of "active self-defense," Egyptian commando units have made several forays across the Suez Canal. Should these raids result in any serious damage, further Israeli reprisals against Egypt will almost certainly result.

The exchanges across the Jordan River almost always stem from fedayeen raids from Jordan into Israel or Israeli-occupied territory. Most of the incidents along the Suez Canal have been initiated by Egypt in what ap-

pears to be part of an attempt to pressure the Big Four powers to reach agreement on a peace formula. The Israelis deny that the cease-fire has broken down and say that Thant's assessment of the situation was an overstatement.

The Lebanese Government's increasing problems in controlling the fedayeen have led to a declaration of a state of emergency. Attempts to restrict the infiltration of fedayeen from Syria led to an exchange of fire last week between army troops and terrorist bands. In southern Lebanon on 23 April, a clash between armed Palestinians and security forces left three Palestinians dead. On the same day, violent demonstrations in Beirut required the imposition of a curfew and a national state of emergency.

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Should pro-fedayeen pressures force the government to relax its efforts to prevent the terrorists from striking unhindered into Israel from bases in Lebanon, Israeli retaliatory strikes into Lebanon are almost certain to follow.

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## PAKISTANI TRAINING AIDS ARAB FORCES

The Pakistani military training aid program, which received a big boost from the 1967 Arab-Israeli war, demonstrates how a small country with limited resources can use its assets to maximum advantage. Free of "imperialist" taint, Pakistan's corps of well-trained and competent personnel represents a commodity often in greater demand than hardware.

Pakistan has concentrated its efforts in Saudi Arabia, Jordan, and Iraq. Training for the air forces has predominated, but aid has been extended to ground and naval services as well. Probably the major reason for the program is that Pakistan hopes to use good will gained by competent training to neutralize, or at least offset, India's attempts to garner support among these nations for its position on the Kashmir dispute. Pakistan may also have seen a chance to earn much-needed foreign exchange.

Saudi Arabia has received the most assistance. There are some 550 Pakistani Air Force (PAF) personnel in the country with perhaps another 200 more to come. Scattered among some seven air bases, their principal duties involve supervision of maintenance work and training mechanics and pilots. The Pakistanis also fly and maintain the Lightning fighters supplied by the UK. Approximately 150 more Pakistanis are engaged in supplying logistical

and administrative aid to the army and to the small navy, which relies primarily on Pakistani training.

PAF instructors are giving tactical training to Iraqi MIG-21 pilots. Because the Pakistanis do not have MIG-21s in their inventory, while the Indians do, a major motive for this Pakistani aid may be a desire to familiarize themselves with types of aircraft they may later wish to obtain, or which they may someday face in combat. The Iraqis also have Soviet TU-16 medium bombers--a type of aircraft the Indians have expressed a desire to own.

In addition, foreign nationals are trained in Pakistani military schools. A number of foreign students, including Iraqis and Jordanians, are enrolled in the PAF flying school and the Command and Staff School. All 19 of the Saudi Navy's midshipmen are being trained in Pakistan, as are some 30 navy enlisted men.

All told, Pakistani military assistance to the Arabs is an attractive bargain for all sides. The Arabs obtain instructors and advice from a politically safe, culturally familiar source, and at prices well below Western standards. On their side, the Pakistanis impede India's quest for Arab support, show solidarity with fellow Muslim states, and gain valuable military experience.

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**WESTERN HEMISPHERE**

Latin Americans seemed to be preoccupied this week with foreign relations.

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Carlos Rafael Rodriguez, a member of Cuba's central committee who was in Peru last week attending a meeting of the UN Economic Commission for Latin America, flatly stated in a press conference that Havana "is not interested" in renewing diplomatic relations with the US. He was less adamant about resuming ties with Latin American governments, but warned that Cuba would not "change its attitude" for the sake of relations with one of its neighbors. He bluntly admitted that "Cuba encourages guerrilla warfare" and will continue to do so, but insisted on maintaining the fiction that Cubans involved in guerrilla activities are acting on their own and not as agents of the Cuban Government.

Rodriguez' fireworks in Lima were in sharp contrast to the quiet in Havana. For the first time in eight years, there were only minor celebrations on the anniversary of the Bay of Pigs invasion. Neither Fidel Castro nor any other top-ranking regime spokesman marked the occasion with an address, presumably so there would be no interruption of the sugar harvest.

On the domestic front, opposition has developed in Venezuela to the government's pacification program. The pardoning on 18 April of twenty extreme leftists has triggered sharp criticism from the opposition Democratic Action Party

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The military can be expected to keep a close watch on further moves by the government and would use its political muscle if it becomes necessary.

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## PERU MAKES NO NEW MOVES ON IPC CONTROVERSY

A Peruvian delegation will arrive in Washington this weekend to begin discussions on a variety of US-Peruvian issues. It is unlikely to make any concessions, however, either on the question of compensation for expropriation of facilities of the International Petroleum Company (IPC) or on the territorial waters dispute. In announcing the composition of the delegation, Peruvian Foreign Minister Mercado stated, "the same position which has been made public before will be maintained and followed." President Velasco said in a speech on 22 April that the IPC case is closed and that "Peru will not make any concessions."

Under the Peruvian judicial procedures now operating, a final appraisal has been made of the IPC properties in Peru other than the Talara industrial complex and the La Brea y Parinas deposits. This appraisal is to determine the value of the properties prior to their prospective sale at auction to meet an alleged debt of IPC for products drawn from the refinery between October 1968

and January 1969, when all IPC facilities were taken over.

Another US company, the Cerro de Pasco Mining Company, is faced with a potentially serious labor dispute. Two of its unions are out on an illegal strike, and the company, acting under Peruvian law, has fired twelve of the leaders. The Ministry of Labor has issued a back-to-work order, but the unions have ignored it. The company's action in firing the union leaders may provoke an angry response that could spread to employees of other US-owned companies. So far, the government has hesitated to force resumption of work, an action that could be construed as capitulation to an American company.

President Velasco appears to be more secure than ever in his position.

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## CHILEAN POLITICS GET MOVING AGAIN

After a brief respite following the congressional elections last month, Chilean politicians are now testing the winds and making plans with an eye to the presidential election in September 1970.

The Communist Party central committee held a plenum in mid-April at which Secretary General Luis Corvalan laid out the party's strategy for 1970. He stated that the keystone of Communist planning would be continued alliance with the Socialist Party but added that even together the two parties would need allies to win the presidency. He stressed the possibility of working with the Radical Party and mentioned certain "advanced sectors" of President Frei's Christian Democratic Party.

Corvalan clearly was indicating that his party would again support Socialist Senator Salvador Allende for the presidency if other groups could be added to the traditional Popular Action Front (FRAP). He added, however, that the Communist Party might run its own candidate if an alliance could not be worked out.

The Socialist Party, however, has a militant wing that opposes cooperation with the "bourgeois" Radical Party. A Socialist, speaking to the Communist plenum, attacked the idea that winning in 1970 was the proper goal for "Chilean revolutionaries," and in particular

opposed a merger of FRAP and the Radicals. This position contradicts that of Allende, who sees 1970 as his best chance of winning the presidency and is willing to let ideological considerations take a back seat.

The Christian Democrats are at least as divided as the left. President Frei has been unable to control his own party in Congress, and last week Christian Democratic votes were instrumental in defeating a proposed constitutional amendment that Frei considered vital.

A portion of the Christian Democratic Party, including some of the leading presidential contenders, favors cooperating with the Communists in 1970. It is likely, however, that this group would have to leave the party for this, because the Communists probably would not approve working with the entire Christian Democratic Party. The Christian Democrats are to hold a meeting early in May at which leftists and administration supporters will probably test their strength.

The Christian Democratic Youth group last weekend elected new officers and the most extreme leftist group won the presidency. It also approved a report severely attacking Interior Minister Perez Zujovic. The group supporting Frei made a respectable showing after the administration pulled out all stops to aid it.

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## POLITICAL DETERIORATION BRAKED IN DOMINICAN REPUBLIC

President Balaguer has acted to ease the unrest arising from a recent wave of terrorist actions in the Dominican Republic. The replacement of controversial police and cabinet officials will probably dampen political attacks temporarily, but the shuffle does not answer the opposition's charges of political repression and demands that Balaguer not run for re-election next year.

The administration has been plagued by student and leftist agitation since the beginning of the year. This month has seen a round of terrorism and counter-terrorism between Communists and police which claimed the lives of four security forces personnel and several civilians in one week.

Heavy-handed police methods have drawn increasing fire from the press and political opposition. On 15 April, the Dominican Revolutionary Party (PRD), the major opposition group with nearly a third of the legislature's seats, withdrew from congress after making a number of demands, including the dismissal of the police chief.

On 18 April, the police, apparently with little provocation, attacked a crowd of several thousand students and injured two university officials. Balaguer moved to blunt mounting criticism by replacing the police chief, his deputy, and the secretary of education. In the past, the Presi-

dent has often turned political and military changes to his own advantage. He has probably succeeded, at least in the short run, in doing so again. An unanswered question is what effect the dismissals will have on Balaguer's military support. The armed forces have traditionally been angered by concessions to the left.

On the political side, the re-election issue will increasingly become the focal point for dissent. Juan Bosch's PRD has now called for all political organizations to boycott the elections in 1970 if Balaguer runs again. "National" fronts opposing re-election are already forming. The issue is also promoting discord in the governing Reformist Party and has contributed to deteriorating relations between the President and his potential challenger, Vice President Lora. There are indications that Lora's fledgling campaign is being stifled by the pro-Balaguer movement, which is proceeding with Balaguer's tacit--if not explicit--approval.

In the muddled political picture, Balaguer remains the strongest potential candidate, but it is becoming increasingly obvious that he will have to marshal all his political and military support if he intends to declare his candidacy and still maintain order through the elections.

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## DUVALIER CRACKS DOWN ON HAITIAN COMMUNISTS

Recent incidents point up President Duvalier's sensitivity to an increase in Communist activity following the arrests in early February of a few Haitians who had returned from training in the bloc.

Last week, Haitian military forces attacked a house on the outskirts of Port au Prince, an action that the official Haitian newspaper has characterized as the "pulverization of Communist headquarters."

Late last month, President Duvalier sent soldiers and militiamen to a village north of the capital where rebel activity, possibly Communist-led, had been reported. The government forces reportedly took reprisals against the insurgents and their relatives and virtually leveled the town. Although it is not clear whether Communists were involved, both Duvalier and Radio Havana have linked the insurgency to the recently created Unified

Party of Haitian Communists, a merger of the two largest groups in Haiti's Communist movement.

Reacting to the formation of the new party, and perhaps to Soviet and Cuban praise of it, the President arrested over a hundred Haitians--many of whom have no Communist connections--on charges of Communist activity. In March, the Haitian Government also forced the priest-director of a French aid mission on the island of Tortue to leave because he allegedly tolerated Communist activity in his parish. Information received by the US Embassy indicates that the charges against the priest are without foundation.

Duvalier's internal crack-down appears to be a precautionary move as well as a reaction to some increase in Communist activity over the past year. On the other hand, he is also apparently trying to impress the new US administration with his anti-Communism.

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